

ENERGEN

R E S O U R C E S

Additional costs associated with drilling in the extra-territorial limits of The City of Lovington

Item	Drilling	Completion	Total	Explanation
Supervision:	\$12,000	\$6,000	\$18,000	Full time on-site supervision
Trailer & Facilities	\$4,500	\$1,000	\$5,500	Living facilities for supervisory personnel
Legal	\$10,000	\$0	\$10,000	Attorney fees associated with hearings
Travel Expenses to Hearings, etc.	\$5,000	\$0	\$5,000	
Fencing & Labor	\$2,000	\$10,000	\$12,000	Required by City of Lovington
Cattle Guards	\$4,000	\$0	\$4,000	Two CGs installed
Safety	\$3,000	\$3,000	\$6,000	H2S safety technician and equipment
Pit Clean-up & Bury	\$5,000	\$0	\$5,000	
City Permit Fees	\$2,500	\$0	\$2,500	City of Lovington permit fee
Additional Insurance	\$1,000	\$0	\$1,000	Required to meet City requirements
			\$0	
Totals	\$49,000	\$20,000	\$69,000	

NMOCD CASE NO. 12174

APRIL 29, 1999

EXHIBIT NO. 12

SUBMITTED BY:

ENERGEN RESOURCES CORP.